

ConnectME Authority

Minutes of Meeting – August 29, 2006

Introduction of Authority Members

Attending: Dan Breton (Chair; Verizon), Kurt Adams (PUC Chairman), Jean Wilson (CIO, LL Bean), Mitch Davis (CIO, Bowdoin College) and Richard Thompson (CIO, state government)

Overview of LD 2080 (PL 2005, c. 665)

Tom Federle gave a brief overview of LD 2080, An Act To Accelerate Private Investment in Maine's Wireless and Broadband Infrastructure, that is now called PL 2005, c. 665.

The Governor outlined his vision on broadband and cell phone service in his State of the State Address. The text contained in his 2006 speech is as follows:

Last year I came to you with a bold proposal to “Connect Maine” – to serve 100% of Maine communities with cell phone coverage by 2008, and 90% of Maine homes and businesses with broadband by 2010.

We’re ahead of schedule on both and will meet the broadband goal later this year. We’ve made a lot of progress, but there is more to do.

Later this month, I will submit "Connect Maine" legislation to further expand the availability and quality of broadband and wireless phone service throughout the state.

The Governor also issued Executive Orders that established working groups and boards that reported to a steering committee on the broadband issue and cell phone issue.

The purpose of the Governor’s bill on wireless and broadband infrastructure was to stimulate investment in advanced communications technology infrastructure so as to increase access to broadband and wireless communications services for all Maine communities, including rural communities. This was an incentive for providers to locate in unserved and underserved areas.

The challenge for the Authority is that the effective date was last week on August 23, 2006. There is no funding mechanism for staff or other expenses. The Legislature did not want to fund this initiative until they saw what the Authority was going to do in regards to its rules. Funding could become available after the Legislature approves the rules.

Scheduling Fall '06 Meetings of the Authority

Rulemaking

In regards to the schedule, Tom Federle stated that part of the time can be devoted to the rulemakings and part to other areas, such as hearing from communities. It would be helpful when the Authority brings the rules to the Legislature to show that they have heard from various interested parties.

The Authority members present approved the Staff's proposed schedule:

- August 29:** **First meeting of the ConnectME Authority**
Location: Transportation Committee, 1:00 p.m.
- September 8: Authority members comments on proposed rulemaking
 due to Tom Federle
- September 15: Revised draft of rule sent to Authority members based on their comments
- September 21:** **Second meeting of the Authority**
Authority to review and to vote to put the Draft Rule out to comment
Location: Transportation Committee, 1:00 p.m.
[Note: Originally scheduled for September 22nd]
- September 27: Authority to issue Notice of Rulemaking and Draft Rule
- October 18:** **Public Hearing on Draft Rule**
Location: Taxation Committee, 9:00 a.m.
- November 1: Written comments from Interested Parties due
- November 22: Memo outlining written comments and Draft Revised Rule sent to Authority
- December 6:** **Authority to deliberate Draft Revised Rule**
Location: Transportation Committee, 1:00 p.m.
- January 3: Final Rule sent to Secretary of State and Attorney General for their review
- January 12: Major Substantive Rules sent to Legislature

Tom Federle stated that he was willing to share the draft Rules but noted that they have no value because he had no authority to draft them.

Dan Breton asked when the Advisory Council would be appointed. Tom Federle stated that the Advisory Council members will be announced within 7-10 days. The Advisory Council will be able to assist the Authority more so after the Authority has its funding. The Advisory Council could take tasks from the Authority but will not comment as a group on the rulemaking.

Dick Thompson wanted to know if someone was going to do the notifications to the Secretary of State's Office and the Attorney General's Office as required by statute in regards to the rulemaking process. Tom Federle stated that the Governor's Office will provide staffing (Tom Federle, Karla Black and Kelly Arata) and Maine Revenue Service and the Public Utilities Commission will provide technical expertise.

Kurt Adams noted that the Governor's Office is here to help the Authority and the PUC staff has helped in drafting the proposed rule. Mr. Adams further noted that the PUC generally does a page-by-page review with its staff of any proposed rule. Mr. Adams wondered if the Authority could do this page-by-page review with Tom Federle. Dan Breton stated that this would be a good idea. Tom Federle stated that he could accommodate that. Dick Thompson stated that he would find it useful. Mr. Adams wondered if they could use the first part of the September 22nd meeting to review the proposed draft rule. Mr. Breton noted that the Authority members and staff could communicate between now and then on any questions they have in conjunction with the draft rule. Mr. Federle stated that the Authority's communications are public.

Mitch Davis stated that a blog would be a good addition so that people could provide feedback and dialog about this project. Tom Federle stated that a blog was a great idea and may make sense at some point; however, the schedule has a tight timeline right now. Mr. Federle fears not being able to get out of the gate if we create a blog right now.

Identifying Potential Projects

Tom Federle stated that the Authority would hear from three communities today. In addition, the Authority could discuss at the end of each meeting what type of interested parties that they would like to invite to their meetings.

Sampling of Experiences in Some Maine Communities

Chebeague

David Hill is from Chebeague Island. Mr. Hill and his wife have been working to get broadband out to the island. They have worked with several companies to reach their goal. Verizon will provide a T-1 line to the Chebeague Inn.

The library on the island has received broadband service for the past two years through the Schools and Libraries Program. Mr. Hill has created chebeague.net so that broadband can be received around the island. Investors have contributed \$5,000 each towards this end. Mainely Wired will provide bandwidth through Verizon. They will have local control so they can set prices and install the necessary equipment. Four of the 12 investors have satellite internet but are dissatisfied with that service. The initial installation cost will be \$300.00 (down from \$600.00), spread out over time for payments. They won't know how far they can deploy the signal until it is up and running. The goal is to have broadband at \$20.00 per month with no installation fee. Chebeague is not officially a town until July 2007.

- Q. Wilson – What is the population?
- A. Hill – There are 350 people in 120 households year round. There are 450 households in the summer with a population of around 1700. He would like to have an off-season rate.
- Q. Davis – How did you get the idea?
- A. Hill – We had internet service in two households initially. The island is 2 x 5 miles. Mesh didn't make sense. A 900-megahertz solution seems to work better.
- Q. Adams – What do you get for speeds?
- A. Hill – We don't yet. We are hoping to get 600-800 up and down.
- Q. Adams – Are you offering voice as well as data?
- A. Hill – Yes, but we want to deliver internet signal.
- Q. Davis – Have you received any feedback from schools?
- A. Hill – The school was hooked up late in the school year. However, internet service has been in the library for a few years now. Traffic has been up. There are eight work stations. This service has had a huge impact on the community. For example, a woman was able to finish her Master's Degree on-line.
- Q. Breton – What do you get for \$300?
- A. Hill – It all depends from the least difficult (indoor antenna and modem, if close to signal) to the more difficult (24 inch antennae or dish, an antennae on outside of a house or other alternative and a 400-foot cable run into the house).
- Q. Thompson – Is this funded privately?
- A. Hill – Yes. It is possible at some point that we may want to turn over the service to the town or to a non-profit organization or even to the library.

Hermon

Tony Brinkley spoke on behalf of the University of Maine and on behalf of Jeff Wheeler from the Town of Hermon who was unable to attend today's meeting. He provided the Authority members with a copy of Mr. Wheeler's email regarding HermonNet, which is a "locally funded community network that is hosted and operated by staff and students of the Hermon School Department." See insert below.



HermonNet.pdf (1 MB)

HermonNet is a FreedomNet system installed through its school. Access is provided first for the students, then to all the homes. They are in the process of using a wireless mesh. Terminals are inexpensive boxes that have been refurbished to complement the laptop program. Hermon is not connected to the School & Library Network so that they could connect the whole community. There is a low-cost fee. Mr. Wheeler suggested that HermonNet is a good way to provide broadband once it arrives. They hope the

Broadband Authority can help them to expand. There was disarray in the community before the HermonNet project started but now the community has come together as a result of this project. Hermon hopes to work close with ConnectME to make the best choices. He has heard that other communities are looking at the HermonNet model.

Q. Davis – Is this non-profit?

A. Brinkley – It is publicly owned through the school. They are using a Linux system. They had limited resources so they had to be creative. He thinks that the ConnectME Authority will help bring broadband to a community. The model of Hermon is a network of community centers across the state.

Q. Wilson – Did taxes go up?

A. Brinkley – This initiative actually saves money.

Q. Thompson – The approach with the central system is really a dial-up with bandwidth performance. He would like to analyze the cost.

A. Brinkley – He thinks that the University will do the training and explore the community development model. He would recommend having Jeff Wheeler available to you.

Q. Adams – Who is the local carrier? Is it Verizon?

A. Brinkley – Yes. Verizon is the local carrier.

Q. Adams – Is there voice service?

A. Brinkley – Probably not right now. Hermon is a work in progress. He notes that the kids are the teachers in this initiative.

Sebec

Bill Welsh stated that Sebec is 40 miles north of Bangor. Access to water allowed Sebec to thrive. Mills and farms have now disappeared. The new power is high speed access to the Internet. Sebec needs help to do this. They are seeking state and federal grants to get access to the Internet. People in Sebec are frustrated that they don't have access. Several examples: (1) person unable to get a federal job; (2) person who works for a non-profit organization could not work at home; (3) commercial business unable to order parts found mainly on the internet; and (4) students are behind in that they can't access the internet for school projects. The Authority needs to strive to bring broadband to communities. Broadband users are pulling away from dial-up users. You can't connect now to the state websites. Selectmen are unable to access policy documents. In Maryland, Mr. Welsh provided graphic design and illustrations to clients but has a hard time sending even one illustration from Sebec. Sebec hopes to attract a service provider to provide them with access.

Mitch Davis stated that it sounds like Sebec would benefit.

Kurt Adams stated that he has a camp in Sebec. He knows that going from broadband to dial-up is a problem. Maine has tried to promote competition between companies. The question will be how we pay for this infrastructure. He hopes that Sebec stays engaged.

Dan Breton stated that he had a prior conversation with Mr. Welsh. Verizon is moving fast but not hitting Sebec. They need to hear the quantification from people in Sebec. They need hard and fast data.

Ideas from Authority Members

Tom Federle stated that this is the time for members to bring forth any ideas that they have been thinking of in regards to their task.

Dan Breton stated that it would be a good idea to find the BDN articles and glean out any information that would be useful. Satellite broadband is not as bad as they were. He wants to get at who we are missing.

Tom Federle stated that there will be a website. It is in the process. We need to raise awareness. We could invite Wild Blue to our next meeting. Telephone calls and emails have been coming in. We need to aggregate the information out there.

Kurt Adams stated that there is a requirement to file data in the rulemaking (p. 5, sec. 3). He would find it helpful to hear from commercial users. He knows the CIO group and commercial users group and one group in Bangor. Their needs are very different.

Tom Federle told the members just to let him know who to invite.

Mitch Davis thought that all schools were connected to high speed. Kurt Adams stated that not every school has the capacity. Some are bumping up to the T-1 capacity. Mitch Davis asked if they were government funded. Kurt Adams' answer was yes. There is the Federal E-Rate program and the School and Library Programs. There are restrictions on subsidized programs in order to not disrupt the competitive environment.

Mitch Davis stated that it sounds like we can't set goals for what people need today. We will sound good but won't deliver. He would like to have ways to input people's stories. Is there another way? Can we have an input mechanism on the website? Tom Federle stated that he would report back on that. We are in the process of setting that up.

Public Comment

Bob Parsloe (Maine PCS)

Bob Parsloe stated that PCS has purchased licenses for 12-14 counties for cellular. They are starting in Buckfield. He wondered if there had been a similar forum before this to hear what their plans are for the future.

Kurt Adams stated that a large part was data compilation of the wireless network starting in 2004 when he had Tom Federle's position in the Governor's Office. This data compilation was the start of going forward with the Governor's legislation on broadband (LD 2080).

Mr. Parsloe stated that PCS has bought unused licenses. Their hope is that they will invest \$24 million in 75 sites. Dan Breton wanted to know what kind of speed. Mr. Parsloe stated 1.5 megabits up and down.

Sam Elowitch

Sam Elowitch stated that he was part of the Broadband Access Infrastructure Board (BAIB). One of the barriers for data is from the ISPs. The ISPs have competitive and privacy concerns. The Authority will need reliable and complete data. The stories from Chebeague, Hermon and Sebec are inspiring and wonderful. They strike him as stock absolutions. These have been stretched. He is afraid the needs will overwhelm. The big trunk issues overwhelm everything. There is a reluctance to create a state-subsidy to provide service. They part company where they don't do anything at all.

Kurt Adams stated that some have argued the universal service concept. He wondered if BAIB has a publicly stated position. Mr. Elowitch stated that BAIB does not have a public position.

Revised remarks from Sam Elowitch:

Sam Elowitch, Executive Director the Rural Broadband Initiative (RBI) in Farmington, stated that he was an appointee to the Broadband Access Infrastructure Board (BAIB). One of the barriers to getting accurate data on broadband availability rests with the ISPs because they have competitive and privacy concerns. The Authority will need reliable and complete data.
How will they get it?

The stories from Chebeague, Hermon and Sebec are inspiring and wonderful but they are mere stop-gap solutions. He is afraid that the Authority will consider places like Chebeague, Hermon, and Sebec to be "mission accomplished" when there is still work to

be done. Future needs will overwhelm. The big trunk issues are paramount. Acknowledges a reluctance to create a state-subsidy to provide service.

Kurt Adams stated that some have argued the universal service concept. He wondered if RBI has a publicly stated position on that issue. Mr. Elowitch said no.